

PROPERTY TAX APPEAL BOARD'S DECISION

APPELLANT: Anthony & Monica Hutson
DOCKET NO.: 05-02436.001-R-1
PARCEL NO.: 09-02-102-012

The parties of record before the Property Tax Appeal Board are Anthony & Monica Hutson, the appellants; and the Effingham County Board of Review.

The subject property consists of a tract totaling 1.47 acres, one of which is improved with a two-story style frame dwelling that was partially completed as of the subject's January 1, 2005, assessment date. The home contains approximately 1,465 square feet of living area. Features include central air-conditioning, a full unfinished basement and a 480 square foot garage.

The appellant, Anthony Hutson, appeared before the Property Tax Appeal Board claiming overvaluation as the basis of the appeal. In support of this argument, the appellants submitted a restricted appraisal of the subject with an effective date of December 9, 2004. The appraiser used only the cost approach in estimating a value for the subject of \$116,976. The appraiser, who was not present at the hearing to provide testimony, be cross-examined, or explain how he determined the subject dwelling was 66% complete as of the appraisal's effective date, estimated the subject's lot or land value at \$16,000. The report provided no explanation as to how the appraiser made this determination. The appellants' appeal form indicated they purchased the subject land in 1999 for \$26,900. In valuing the subject improvements, the appraiser compiled a list of the various components, indicating quantity and unit price of each item. The appraiser did not indicate the source of his cost figures, but determined the subject's replacement cost new was \$95,976. To this figure, the appraiser added \$5,000 for landscaping and the land value of \$16,000, resulting in the total estimated market value of \$116,976. On a separate page, the appraiser submitted a columnar analysis of the various component costs of the subject dwelling, including his estimate of the percentage of completion of each

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Based on the facts and exhibits presented, the Property Tax Appeal Board hereby finds no change in the assessment of the property as established by the Effingham County Board of Review is warranted. The correct assessed valuation of the property is:

<u>DOCKET NO.</u>	<u>PROPERTY NO.</u>	<u>LAND</u>	<u>IMPR.</u>	<u>TOTAL</u>
05-02436.001-R-1	09-02-102-012	\$ 11,090	\$ 28,870	\$ 39,960

Subject only to the State multiplier as applicable.

item as of the appraisal's effective date. The total percentage completion of all items was 66%. The appellant testified that the home was still not complete as of the hearing date and that he had performed much of the work himself, including electrical, plumbing, drywall finishing, siding, soffit and fascia. He provided no contractor's affidavit or estimate of the value of his contributed labor. The appellants' appeal form indicated they estimated the cost of the dwelling at \$90,000. The appellant testified the appraiser's market value estimate for the subject of \$116,976 referred to the subject as if complete, and that the appraiser's determination that only 66% of the dwelling was complete on December 9, 2004 should be reflected in the 2005 improvement assessment. When questioned by the hearing officer as to why the appraiser estimated the land value at just \$16,000 when the appellants indicated they had paid \$26,900 for it six years earlier, the appellant could provide no explanation. Based on this evidence, the appellants requested the subject's total assessment be reduced to \$32,640, its land assessment be reduced to \$6,640 and its improvement assessment be reduced to \$26,000. When questioned by the hearing officer as to why he was requesting the subject's total land assessment reflect only parcel 09-02-102-012 for \$6,640, the appellant could not give a reason.

The board of review did not submit its "Board of Review Notes on Appeal" or any evidence in support of its assessed valuation of the subject property.

The subject has an estimated market value of \$117,047, as reflected by its assessment and Effingham County's 2005 three-year median level of assessments of 34.14%.

During the hearing, the board of review's representative testified the subject's 2005 land assessment as indicated on the board's Notice of Final Decision for parcel 09-02-102-012 includes the land assessment of \$4,450 for parcel 09-02-102-011 and that both parcels were combined into parcel 09-02-102-012 for succeeding assessment years. The subject's total 2005 land assessment is thus \$11,090, after action of the board of review.

After hearing the testimony and considering the evidence, the Property Tax Appeal Board finds that it has jurisdiction over the parties and the subject matter of this appeal. The Board further finds no reduction in the subject property's assessment is warranted. The appellants contend the market value of the subject property is not accurately reflected in its assessed valuation. When market value is the basis of the appeal the value of the property must be proved by a preponderance of the evidence. National City Bank of Michigan/Illinois v. Illinois Property Tax Appeal Board, 331 Ill.App.3d 1038 (3rd Dist. 2002).

After analyzing the market evidence submitted, the Board finds the appellants have failed to overcome this burden.

The Board finds the appellants submitted a restricted appraisal of the subject with an estimated market value of \$116,976 as of the report's effective date of December 9, 2004. However, the appraisal further indicated the subject was only 66% complete as of the report's effective date. Appellant Anthony Hutson testified the estimated market value of \$116,976 was for the subject dwelling as if completed, but the appraiser's determination that the subject was only 66% complete should cause the total estimated market value to be reduced accordingly. The Board finds the appraisal report includes the following language in its comments section:

This is a Restricted Appraisal Report as defined and permitted by the Uniform Standards of Professional Appraisal Practice (USPAP) and is intended for use only by First Mid-Illinois Bank and Trust, for the stated use. The client understands the limited utility of the Restricted Appraisal Report and its limited application is only the specified use. This report cannot be properly understood without additional information contained in the appraiser's work file (emphasis added). Use by anyone other than the client is prohibited. I certify that I considered the Sales Approach and Income Approach to value, however, through mutual agreement with the lender did not develop said approaches.

The Board gave the appellants' appraisal no weight, based on the above disclaimer by the appraiser, his unavailability as a witness to provide the source of his cost data, his failure to explain why he valued the subject's land at just \$16,000 (when the appellants had paid \$26,900 for it in 1999), or his lack of explanation as to how he determined the subject was 66% complete. The Board further finds the appellants acknowledged on their appeal form and in testimony that they "completed the electrical, plumbing and drywall ourselves. We also did the siding, fascia and soffit." The Board finds the appellants submitted no contractor's affidavit or estimate of the value of the labor they contributed during the home's construction, but did indicate the cost of the dwelling, if completed, was approximately \$90,000. The Board finds that the appraisal was given no weight due to the appraiser's absence from the hearing to explain his methodology, his lack of explanation regarding the land value estimate of \$16,000, as well as his failure to explain how he determined the 66% completion level of the subject dwelling. Finally, the Board finds it significant that the appraiser indicated the report "cannot be properly understood without additional information

contained in the appraiser's work file" (emphasis added), as indicated in the above citation from the report's comments section. For these reasons, the Board finds the subject's market value was \$117,047, as reflected by its assessment.

Based on the foregoing analysis, and notwithstanding the board of review's failure to submit evidence in support of the subject's assessment, the Property Tax Appeal Board finds the appellants have failed to meet their burden of proving overvaluation by a preponderance of the evidence and no reduction in the subject's assessment is warranted.

This is a final administrative decision of the Property Tax Appeal Board which is subject to review in the Circuit Court or Appellate Court under the provisions of the Administrative Review Law (735 ILCS 5/3-101 et seq.) and section 16-195 of the Property Tax Code.



Chairman



Member



Member



Member

Member

DISSENTING: _____

C E R T I F I C A T I O N

As Clerk of the Illinois Property Tax Appeal Board and the keeper of the Records thereof, I do hereby certify that the foregoing is a true, full and complete Final Administrative Decision of the Illinois Property Tax Appeal Board issued this date in the above entitled appeal, now of record in this said office.

Date: April 1, 2008



Clerk of the Property Tax Appeal Board

IMPORTANT NOTICE

Section 16-185 of the Property Tax Code provides in part:

"If the Property Tax Appeal Board renders a decision lowering the assessment of a particular parcel after the deadline for filing complaints with the Board of Review or after adjournment of the session of the Board of Review at which assessments for the subsequent year are being considered, the taxpayer may, within 30 days after the date of written notice of the Property Tax Appeal Board's decision, appeal the assessment for the subsequent year directly to the Property Tax Appeal Board."

In order to comply with the above provision, YOU MUST FILE A PETITION AND EVIDENCE WITH THE PROPERTY TAX APPEAL BOARD WITHIN 30 DAYS OF THE DATE OF THE ENCLOSED DECISION IN ORDER TO APPEAL THE ASSESSMENT OF THE PROPERTY FOR THE SUBSEQUENT YEAR.

Based upon the issuance of a lowered assessment by the Property Tax Appeal Board, the refund of paid property taxes is the responsibility of your County Treasurer. Please contact that office with any questions you may have regarding the refund of paid property taxes.